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(Original Signature of Member)

117TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To amend the Internal Revenue Code of 1986 to modify the rules applicable  
to using private activity bonds for broadband projects.

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**IN THE HOUSE OF REPRESENTATIVES**

Mr. BUDD introduced the following bill; which was referred to the Committee  
on \_\_\_\_\_  
\_\_\_\_\_

**A BILL**

To amend the Internal Revenue Code of 1986 to modify  
the rules applicable to using private activity bonds for  
broadband projects.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Encouraging Private  
5       Investment for Better Broadband Act”.

1 **SEC. 2. MODIFICATION OF RULES FOR USING PRIVATE AC-**  
2 **TIVITY BONDS FOR BROADBAND PROJECTS.**

3 (a) IN GENERAL.—Section 142(n)(1)(A) of the Inter-  
4 nal Revenue Code of 1986 is amended—

5 (1) by striking “25 megabits” and inserting  
6 “100 megabits”, and

7 (2) by striking “3 megabits” and inserting “20  
8 megabits”.

9 (b) EXCEPTION FROM VOLUME CAP.—Section  
10 146(g) of such Code is amended—

11 (1) by striking “or (15)” in paragraph (3) and  
12 inserting “(15), or (16)”,

13 (2) by adding “and” at the end of paragraph  
14 (4), and

15 (3) by striking paragraph (5) and redesignating  
16 paragraph (6) as paragraph (5).

17 (c) EFFECTIVE DATE.—The amendments made by  
18 this section shall apply to bonds issued after the date of  
19 the enactment of this Act.

20 **SEC. 3. REPORT TO CONGRESS AND STAKEHOLDER INPUT.**

21 (a) REPORT TO CONGRESS.—Not later than 18  
22 months after the date of the enactment of this Act, the  
23 Secretary of the Treasury and the Federal Communica-  
24 tions Commission shall jointly submit to Congress a writ-  
25 ten report which includes—

1           (1) the total number of private activity bonds  
2           for qualified broadband projects issued by States  
3           and their political subdivisions,

4           (2) the number of such projects that have been  
5           completed,

6           (3) the number of such projects that defaulted  
7           or were not completed,

8           (4) the increase in the number of individuals  
9           with access to 100 megabits per second downstream  
10          and 20 megabits per second upstream after the date  
11          of the enactment of this Act,

12          (5) the total dollar amount of private activity  
13          bonds for qualified broadband projects issued after  
14          the date of the enactment of this Act, and

15          (6) a report regarding the identification of mat-  
16          ters described in subsection (b).

17       (b) STAKEHOLDER INPUT.—For purposes of pre-  
18       paring the report described in subsection (a), the Sec-  
19       retary of the Treasury and the Federal Communications  
20       Commission shall solicit input from appointed representa-  
21       tives of the Governor of each State as well as representa-  
22       tives of the three largest private internet service providers  
23       in each State measured by annual reported revenue, in-  
24       cluding input related to the identification of any provision  
25       of Federal law, or lack thereof, which limits the volume

1 of investment in private activity bonds for qualified  
2 broadband projects, including census mapping, right-of-  
3 way and easement issues, competition with existing grant  
4 programs, or any other matter which limits such invest-  
5 ment. If the representatives appointed by any Governor  
6 under the preceding sentence do not include at least one  
7 representative of an internet service provider that pri-  
8 marily services rural communities and at least one rep-  
9 resentative of an internet service provider organized as a  
10 cooperative, the Secretary of the Treasury and the Federal  
11 Communications Commission shall solicit input from one  
12 or more of such representatives without regard to whether  
13 they have been appointed by such Governor. The preceding  
14 sentence shall not apply to the extent that a State does  
15 not have at least one of the internet service providers de-  
16 scribed in such sentence.